

House Engrossed

FILED

**JANICE K. BREWER
SECRETARY OF STATE**

State of Arizona
House of Representatives
Forty-seventh Legislature
Second Regular Session
2006

CHAPTER 24

HOUSE BILL 2348

AN ACT

AMENDING SECTIONS 9-247, 9-248, 9-249, 11-634 AND 11-635, ARIZONA REVISED
STATUTES; RELATING TO MUNICIPAL AND COUNTY WARRANTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 9-247, Arizona Revised Statutes, is amended to
3 read:

4 9-247. Claims, warrants, substitute checks and vouchers

5 When a town organized under this article is indebted on an account, the
6 official having power to audit and allow claims against the town shall draw a
7 warrant, SUBSTITUTE CHECK or voucher upon the treasurer for the amount
8 due. The official shall not draw more than one warrant, SUBSTITUTE CHECK or
9 voucher for the amount allowed.

10 Sec. 2. Section 9-248, Arizona Revised Statutes, is amended to read:

11 9-248. Warrants, substitute checks and vouchers; payee; form

12 No warrant, SUBSTITUTE CHECK or voucher drawn on the treasurer of any
13 town shall be drawn in favor of a person other than the one to whom it is
14 due. The warrant, SUBSTITUTE CHECK or voucher shall be in the form
15 prescribed by ordinance.

16 Sec. 3. Section 9-249, Arizona Revised Statutes, is amended to read:

17 9-249. Warrants, substitute checks and vouchers; presentment;
18 payment; registry; definitions

19 A. The treasurer of ~~the~~ A CITY OR town shall not pay any warrant,
20 SUBSTITUTE CHECK or voucher unless presented for payment by the person in
21 whose favor it is drawn, ~~his~~ OR THE PERSON'S assignee, executor or
22 administrator. When a warrant, SUBSTITUTE CHECK OR VOUCHER on the treasurer
23 is properly presented for payment, ~~he~~ THE TREASURER shall pay it and write or
24 stamp on the face ~~thereof~~ OF IT "paid," AND the date of payment, ~~and~~ SHALL
25 sign ~~his name thereto~~ IT. If ~~he~~ THE TREASURER cannot pay the warrant,
26 SUBSTITUTE CHECK OR VOUCHER for want of funds, ~~he~~ THE TREASURER shall ~~endorse~~
27 ~~thereon~~ WRITE OR STAMP ON THE FACE OF IT "not paid for want of funds," AND
28 the date of presentation, ~~and~~ SHALL sign ~~his name thereto~~ IT, and, from that
29 date until paid, the warrant, SUBSTITUTE CHECK OR VOUCHER shall bear interest
30 at a rate to be determined by the ~~town~~ council, but in no case to exceed six
31 per cent PER YEAR. THE CITY OR TOWN AND THE SERVICING BANK SHALL AGREE UPON
32 THE METHOD OF DELIVERY OF THE WARRANT, SUBSTITUTE CHECK OR VOUCHER.

33 B. The treasurer shall keep a registry of warrants, SUBSTITUTE CHECKS
34 AND VOUCHERS presented for payment.

35 C. FOR THE PURPOSES OF THIS SECTION:

36 1. "SUBSTITUTE CHECK" MEANS A PAPER REPRODUCTION OF AN ORIGINAL
37 WARRANT CREATED FROM AN ELECTRONIC IMAGE OF THE ORIGINAL WARRANT THAT:

38 (a) CONTAINS AN IMAGE OF THE FRONT AND BACK OF THE ORIGINAL CHECK.

39 (b) BEARS A MAGNETIC INK CHARACTER RECOGNITION LINE CONTAINING ALL OF
40 THE INFORMATION IN THE MAGNETIC INK CHARACTER RECOGNITION LINE OF THE
41 ORIGINAL CHECK.

42 (c) CONFORMS IN PAPER STOCK, DIMENSION AND OTHERWISE WITH GENERALLY
43 APPLICABLE INDUSTRY STANDARDS FOR SUBSTITUTE CHECKS.

44 (d) IS SUITABLE FOR AUTOMATED PROCESSING IN THE SAME MANNER AS THE
45 ORIGINAL WARRANT.

1 2. "WARRANT" MEANS AN ORIGINAL WARRANT OR AN ELECTRONIC IMAGE OF AN
2 ORIGINAL WARRANT FROM WHICH A SUBSTITUTE CHECK MAY BE CREATED.

3 Sec. 4. Section 11-634, Arizona Revised Statutes, is amended to read:
4 11-634. Payment of warrants and substitute checks; definitions

5 A. When the board of supervisors, the county superintendent of schools
6 or a special district presents a warrant OR SUBSTITUTE CHECK for payment, the
7 county treasurer shall pay it and make a charge against the appropriate
8 account.

9 B. FOR THE PURPOSES OF THIS SECTION, "SUBSTITUTE CHECK" AND "WARRANT"
10 HAVE THE SAME MEANINGS PRESCRIBED IN SECTION 9-249.

11 Sec. 5. Section 11-635, Arizona Revised Statutes, is amended to read:
12 11-635. Warrants and substitute checks unpaid for lack of
13 funds; interest; definitions

14 A. If a revolving line of credit has not been obtained for a political
15 subdivision or if the revolving line of credit has been expended, the
16 treasurer shall ~~endorse~~ WRITE OR STAMP ON THE FACE OF the warrant OR
17 SUBSTITUTE CHECK "not paid for lack of funds",— and the date of presentation,
18 and from that time until IT IS paid, the warrant OR SUBSTITUTE CHECK shall
19 bear no more than ten per cent interest per ~~annum~~ YEAR.

20 B. The treasurer shall keep a register of warrants AND SUBSTITUTE
21 CHECKS presented for payment.

22 C. FOR THE PURPOSES OF THIS SECTION, "SUBSTITUTE CHECK" AND "WARRANT"
23 HAVE THE SAME MEANINGS PRESCRIBED IN SECTION 9-249.

APPROVED BY THE GOVERNOR MARCH 29, 2006.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MARCH 29, 2006.

